Senate File 2059 - Introduced

SENATE FILE 2059 BY CARLIN

A BILL FOR

- 1 An Act exempting homestead property owned by certain elderly
- 2 persons from specified school property tax levies and
- 3 including applicability provisions.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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- 1 Section 1. Section 427.1, Code 2022, is amended by adding 2 the following new subsection:
- 3 NEW SUBSECTION. 42. Homesteads of elderly persons.
- 4 a. Each homestead, as defined in section 425.11, receiving
- 5 the homestead credit under chapter 425, the owner of which is
- 6 a person who has attained the age of sixty-five years, shall
- 7 be exempt from the following property tax levies imposed by a
- 8 school district or a community college:
- 9 (1) Foundation property tax levy under section 257.3.
- 10 (2) Additional property tax levy under section 257.4.
- 11 (3) Enrichment levy under section 257.28.
- 12 (4) Merged area levy for the operation of a community
- 13 college under section 260C.17.
- 14 (5) Merged area levy for equipment replacement and program
- 15 sharing under section 260C.28.
- 16 (6) District management levy under section 298.4.
- 17 (7) Cash reserve for a school district's general fund under 18 section 298.10.
- 19 (8) School corporation library levy under section 298.7.
- 20 (9) School corporation tax authorized under section 300.2.
- 21 b. Claims for the exemption must be filed with the local
- 22 assessor by February 1 of the first year the exemption is
- 23 requested upon forms to be prescribed by the director of
- 24 revenue. Once the exemption is granted, the exemption shall
- 25 continue to be granted for subsequent assessment years without
- 26 further filing of claims as long as the property is legally or
- 27 equitably owned and used as a homestead by that person or that
- 28 person's spouse on July 1 of each of those successive years,
- 29 and the owner of the property being claimed as a homestead
- 30 declares residency in Iowa for purposes of income taxation,
- 31 and the property is occupied by that person or that person's
- 32 spouse for at least six months in each of those calendar years
- 33 in which the fiscal year begins.
- 34 Sec. 2. IMPLEMENTATION. Section 25B.7 shall not apply to
- 35 the property tax exemption provided in this Act.

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- 1 Sec. 3. APPLICABILITY. This Act applies to property taxes 2 due and payable in fiscal years beginning on or after July 1, 3 2023.
- 4 EXPLANATION
- 5 The inclusion of this explanation does not constitute agreement with 6 the explanation's substance by the members of the general assembly.
- 7 This bill exempts homesteads owned by a person who has
- 8 attained the age of 65 years from the following property tax
- 9 levies imposed by a school district or a merged area (community
- 10 college): (1) foundation property tax levy under Code section
- 11 257.3; (2) additional property tax levy under Code section
- 12 257.4; (3) enrichment levy under Code section 257.28; (4)
- 13 merged area levy for the operation of a community college
- 14 under Code section 260C.17; (5) merged area levy for equipment
- 15 replacement and program sharing under Code section 260C.28; (6)
- 16 district management levy under Code section 298.4; (7) cash
- 17 reserve for a school district's general fund under Code section
- 18 298.10; (8) school corporation library levy under Code section
- 19 298.7; and (9) school corporation tax authorized under Code
- 20 section 300.2.
- 21 Claims for the exemption must be filed with the local
- 22 assessor by February 1 of the first year the exemption is
- 23 requested upon forms to be prescribed by the director of
- 24 revenue. Once the exemption is granted, the exemption shall
- 25 continue to be granted for subsequent assessment years without
- 26 further filing.
- 27 Code section 25B.7 provides that for a property tax credit
- 28 or exemption enacted on or after January 1, 1997, if a state
- 29 appropriation made to fund the credit or exemption is not
- 30 sufficient to fully fund the credit or exemption, the political
- 31 subdivision shall be required to extend to the taxpayer only
- 32 that portion of the credit or exemption estimated by the
- 33 department of revenue to be funded by the state appropriation.
- 34 The bill makes Code section 25B.7 inapplicable to the
- 35 property tax exemption provided in the bill.

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- 1 The bill applies to property taxes due and payable in fiscal
- 2 years beginning on or after July 1, 2023.